Vermont Department for Children and Families

Economic Services Division

December 30th, 2010

Prepared by the Change and Innovation Agency

8603 N. Sycamore Ave. Kansas City, MO 64157
www.changeagents.info

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Dear Steve,

Thank you for the opportunity to perform an assessment of the Vermont Department for Children and Families Economic Services Division public assistance delivery system. Your staff were highly professional, and their passion for the people they serve was obvious.

Throughout our time with you and your staff, we learned a great deal about your current situation, as well as your modernization efforts. We have concluded that a better day for your staff and customers is not far away.

Through a series of business process changes and few philosophical changes, timeliness and accuracy rates will begin to recover. This assessment report will describe our observations, the strengths and challenges of your agency, as well as short and long-term recommendations for moving to a place of operational excellence.

Best Regards,

Blake Shaw
Senior Partner

8603 N. Sycamore Ave. Kansas City, MO 64157
www.changeagents.info

BROAD OBSERVATIONS

CIA was given the opportunity to visit and assess Vermont's Economic Services Division public assistance delivery system during the weeks of December 13th and 20th. Our work included review of agency data, office visits, interviews with staff, and meetings with IT, Call Center, ADPC, the Interview Unit, the management team, as well as a focus group with community partners.

We are pleased to say that while Vermont is currently experiencing negative trends in timeliness and accuracy, the core issues causing these trends are fixable through changes to your business processes. To repeat, Vermont does not have a modernization problem. The tools that have been built, along with the intent behind them, over the last 2 ½ years are relevant and extremely helpful to the future of Vermont and the most vulnerable citizens of your state. With changes in the business processes (which are outlined below) the entire mission that was intended by the modernization can and will be realized.

Vermont seems to be experiencing the pressures faced by most states over the past two years. Caseloads have increased while the resources required to meet the demand have decreased. To put it in perspective, the 3 Squares caseload has increased 26% in the past year while the staffing level has decreased by 7%. It has increased 72% over the past three years while staffing levels have only increased by 3%. And it has increased by 93% over the past five years with only a 3% increase in staffing. Imagine the public assistance delivery system as a water pipe that was already flowing at full force 5 years ago, with applications flowing in the top and determinations flowing out the bottom. The pressures of the last five years have caused us to force 93% more water (applications) into the top of the pipe, while only increasing the size of the pipe by 3%. The pipe is under an immense amount of pressure. At the same time, Vermont recently made the decision to pull staff off the line and into a call center. Some of the difficulties experienced with this particular transition have led Vermont to a place where it is experiencing backlog. The result is that 2,789 program applications are 30+ days old, with 65% being 31-45 days, 20.4% at 46-60 days, 11% at 61-90 days and 3% 91 days and older. When cases are overdue, clients call and/or walk into local offices to ask the infamous question, "Where's my stuff?" Our natural response is to try and find out where they are in the system? However, in order to do that, we have to take somebody off the line to research the case. While eligibility workers are researching cases, they can't be interviewing, verifying or processing. Eventually, agencies find themselves spending more time and energy tracking down unfinished cases than actually working cases. As a result, the backlog continues to grow, and worse, clients don't feed their families.

We found a similar situation with Vermont. As cases became untimely, customers would call the 1-800 number to the call center. The call center worker would send a “to-do” to the eligibility worker out in the field, and then ideally, the worker in the field would get back to the customer. If you look at October 2010, the call center received 53,000 calls. More to-dos are being generated than can possibly be fielded. Staff told us that they don’t look at them until they begin to work on a case, and that often there are duplicates, as the customer has called multiple times. To make a long story short, Vermont is receiving approximately 8,000 initial and recertification applications per month out of 61,000 customer transactions (8,000 applications + 53,000 call center calls). The value-added work to provide benefits to a customer is the interview, the verification and the processing. 13% of customer contacts were for the actual work. The rest were for case-related questions, status checks, etc. (a.k.a. not the work).

All organizational change encounters roadblocks. It is our assessment that modernization and technological changes alone did not put Vermont in its current situation. It is also our assessment that modernization and technological changes alone will not bring Vermont out of its current situation.

This document will highlight some of the ways in which Vermont can reduce the rework that is currently present in the system, and prepare itself for the final stages of its modernization initiative.

STRENGTHS:

- **Good technology**
  - The modernization tools are exciting. We have the benefit of seeing what other states have available. The tools that Vermont has built will serve its staff and customers well in the future. There are states that have improved their processes and they only wish they had half the technology that Vermont has built. With process changes to round-out the tools, Vermont will realize faster and more accurate service, along with happier staff and customers.
    - **On-Base Document Imaging and Management**
      - In order to truly be successful in a statewide caseload, document imaging is desirable. Time is saved both searching for and working with documents. Space is saved as paper is avoided. File control is also better facilitated with a digital presence.

    - **Letters to be printed at a centralized location**
      - The plan to have all letters printed at a centralized location is a solid idea – one that we recommend moving forward with as soon as the appropriate technological changes can be made. A centralized location will ensure consistency with timeliness of items being mailed to customers. Currently, letters are prepared individually at local offices. The business of a worker's day leads to various methods for organizing and completing work. Some might choose to prepare all letters on a certain day of the week where they set aside time. This means that a client could be delayed up to 1 week. However, under the new technology, letters will be sent in a timely fashion, as the worker is only responsible for keying the case and prompting the notices and letters.

    - **OnBase will generate an automatic alert when verification has been received that is associated with a pending application**
      - As verification paperwork is turned into a centralized location (ADPC), it is best if alerts are sent indicating that the paperwork is ready to be worked. This is even more effective if it is sent to a team that has the

mission of matching and processing the verifications.

- **Automatic Queue for Pending, ready-to-process, and ready-for-interview status**
  - These queues will allow Vermont managers to know where the work is in the system. Knowing this will help them to understand where we are getting bogged down – Interviews, collecting verifications, processing cases. This is a level of knowledge that is absent from traditional case management systems, as the status of work is "hidden" in case worker desks across the entire state. This information is wonderful knowledge that helps in the planning and execution of work.

- **Automated caseload-balancing and assignment of batch work**
  - When the modernization tools are fully-functional, as work travels through the ADPC, it will be assigned to somebody in an equitable fashion. IT stated that the case assignments could be made to "processes" instead of individuals. This capability makes this a true strength. The problem with keeping it at an individual level will be addressed in the next section under "Challenges."

- **Creation of new forms of customer access**
  - Through Modernization, Vermont has created new forms of access for customers through its On-line application, Phone Center, ADPC and Community Partners. The on-line application allows customers to apply for benefits at home, the library, at a community partner site, and anywhere that allows Internet access. Currently 25% of applications are being filed on-line. The phone center has provided one telephone number for customers to dial and speak with somebody. When call centers practice first-call resolution, they are a wonderful point of access for customers. The ADPC allows customers to send their information / verifications into a central location without having to leave their home. For customers that don't have a time-sensitive case, they can take care of business without leaving their home. Community partners are able to help customers apply so that they have options, even when the phone center and/or local office might have undesirable wait times.

- **Movement to a Statewide Caseload**
  - A statewide caseload increases the size of the pool. The traditional case management model leaves the customer at the mercy of the

talent and availability of the eligibility worker they are assigned to at entry into the system. The ability for the customer to receive timely service depended on the worker's knowledge of the programs, the worker's speed, and the worker's caseload size. A statewide caseload frees the customer up to be served by a pool of workers that have a better chance of being available than a single worker.

- **Experimentation of conducting first-call resolution within the call center**
  - The call center received 53,000 calls during the month of October. Visiting with the call center manager we learned that, anecdotally, 8/10 calls are for simple questions and case-related status questions (a.k.a. Where's my stuff; why'd I lose service; I dropped off my verification, did you get it yet?). The call center has begun experimenting with a small group (5) of multi-program staff answering questions and performing changes so that the client does not have to call again, or rely on a hand-off to get their business completed. We believe that the more that you focus on turning the call center into a value-added provider of services, the less calls you will receive.

- **Realization of the need for multi-program staff**
  - As we spent time with Vermont managers and staff, it was apparent that multi-programmed staff add much value to the agency and customers. Without it, two things happen: 1) wait times increase for those "specialty" clients that require multiple programs; and 2) clients could be forced into dealing with multiple workers.

- **Management and Staff that truly want to make a difference**
  - We were prepared to meet people that were not interested in changing their current direction, but did not encounter this at all. We found a group of managers and staff that truly care about making a difference in the lives of the most vulnerable citizens in Vermont. As a result, we found managers that just want to create the best possible delivery system for their staff and customers. We found workers that just want to connect their customers with food, cash, healthcare and critical supports.

CHALLENGES:

- **Too many touches to the same case**
    - Cases are being touched too many times in the current model of work. As a result, the system is tackling issues such as poor timeliness and quality, unhappy customers, and unhappy staff. For example, when an application is filed, an eligibility worker screens the case, writing notes on the application so that the interviewer will ask certain questions during the interview. Once the interviewer (also an eligibility worker) conducts the interview and documents the case, the case is assigned to another eligibility worker somewhere throughout the state. The eligibility worker then reviews the case and often has to send additional notices and sometimes call the client to clarify information. Up to three eligibility workers are touching the same case before a determination can ever be made. At approximately 5,000 interviews per month that means that we are touching 5,000 cases a minimum of 15,000 times prior to any determination being made. During interviews with staff, they stated that cases were not ready to work between 20% and 50% of the time. This means that an additional 1,000 to 2,500 transactions are needed, assuming the client brings / sends the correct information the first time. So, eligibility workers are touching 5,000 cases a minimum of 16,000 to 17,500 times. Multiple touches are robbing Vermont of critical capacity.
    - The call center is handling the majority of calls by generating "to-dos," and leaving the customer to wait for another eligibility worker to take care of their issue. The way that the workers in the field are currently handling the to-dos is generating duplicate calls, as well as duplicate to-dos.
    - Multiple touches leads to pended cases, which leads to risk of error.

- **Lack of standardization / trust**
    - There is a lack of standardization of documentation. Because there are hand-offs of the case between interviewer and eligibility worker, this lack of standardization leads to mistrust of the initiated work. Lack of trust leads to rework. The rework is partly due to the way workers have historically been evaluated. The error typically goes to the person who last touched the case. Because of this, human nature kicks in and workers have the desire to rework the case. This also robs the agency of critical capacity. As workers are reworking, you are losing their time that should be going towards first-time work.
    - There is a lack of standardization of verification practices. Two

factors lead to this conclusion: 1) The fact that screeners try to lead their co-workers by prompting them with questions to ask during the interview; and 2) The fact that workers like to rework the case once the interview has been conducted. Workers have been trained differently throughout the years depending on current emphasis and the workers informal mentor. The result is that workers only a cubicle apart may ask for different forms of verification for the same program.

- **Working to deadline**
    - Workers are currently working to deadline, meaning that they are not working cases until they are close to becoming untimely. Worker's are currently responsible for a case from the time it is assigned to them throughout the life cycle (until a determination is made). You eventually want to operate at a level where the "untimely reports" are being checked, but not driving the work plan for the day. This happens when the focus is on completing today's incoming work today. Vermont is not alone in this practice. It's a survival tactic that results from being behind. Working to deadlines means a worker only needs to be out of the office for a couple of days to send cases into an untimely status.

- **Removal of the front door option**
    - While the agency has added wonderful forms of access for the customers, a very crucial form of access was limited / taken away – the front door. Whether that was the intent or not, that is the perception. Customers like to interact with service providers in a way that is comfortable for them. If we ensure that the business processes are sound for on-line and face-to-face interactions, then the customers will choose where they want to go.

- **Caseload-balancing and assignments at the individual level**
    - Caseload-balancing was also listed as a strength. However, there are drawbacks to emphasizing an individual assignment over a team or process assignment. When we sign at the individual level, we are still holding a very busy individual accountable for performing a large amount of work. We are not convinced that individual load balancing won't impede progress towards better timeliness.

- **Multi-tasking in a high caseload environment**
    - Eligibility workers are dealing with increases in the 3SquaresVT Program caseload with an overall decrease in staffing. As mentioned earlier, the pipe is under an immense amount of pressure, and each new task that we give to our workers represents a new kink in the pipe. The only thing removed from

them has been the interview. The typical day for these workers is to rework the interviews they were not happy with, matching verifications, sending notices and letters, and making eligibility determinations. In a sense, they are still carrying caseloads, as the cases sit with them over a period of time until a determination is made. Studies by Vanderbilt University and MicroSoft over the last couple of years have found that multitasking isn't as efficient as once thought. We believe that assignment to individuals, as planned, will not necessarily improve system performance.

- **Reach-up cases losing local link**
    - It is upsetting to workers that the Reach-Up financial eligibility was not planned to stay in the local office. The reason for this was that once Reach-Up Case Managers inherit the case, they weren't going to have a link in their office to walk down the hall and ask eligibility questions to. It was welcomed news in the field when management decided to keep the eligibility piece of the cases local.

3-6 MONTH RECOMMENDATIONS FOR ADJUSTMENTS TO THE PLAN

- **Move to management of process, not individuals**
  - Managing the processes means to actively manage the business processes that a client goes through to become eligible for benefits. For example, manage the processes of Intake, Interview, Verification and Eligibility, recertifications, and changes. Around each of these processes is a system of work, or a process that creates a widget for a customer to achieve a desired outcome. Said another way, the interview process creates the widget of a case file (documentation) for another worker so that they can make a quick and accurate determination. When we can see the processes, we can measure, manage and improve them. For example, we can measure the following things about an interview:
    - How many we completed today, this week, this month…
    - What percentage were completed at the time of interview
    - How long the average interview took
    - What percentage were accurate
    - Etc.
  - Managing the process also allows for objective management, and realizes that we can't "squeeze" any more out of the people because they are giving us all they can. Under a process management environment, if workers are reworking cases that they inherit, then we focus on the case documentation and figure out what is missing that makes the workers feel the need to rework. Once identified, Interviewers work to create a widget (case documentation) that meets their customer's (co-worker) needs.
  - We recommend the development of both local and virtual process teams.
  - This takes careful planning to achieve.

- **Train Supervisors to manage the process**
  - Shifting to the management of processes is significant change for managers and supervisors. Their traditional management tools are typically aimed at individual improvement. Process Management requires an understanding of systems thinking. We recommend process training, but also heavy engagement in the planning and engagement in the actual management of processes. In our experience, the first supervisors that are involved in going live with a process management model are instrumental in preparing future supervisors.

- **Move to first-contact resolution**
    - Complete cases at the time of interview. With relaxed verification policies, a significant percentage of cases can be completed at the time of interview, yet Vermont is currently passing 100% of interviews on to another worker. As explained above, Vermont is touching 5,000 interviews at least 16,000 – 17,500 times per month. By this math, if Vermont is able to complete just 50% of interviews at the time of interview (2,500), then you will reduce 16,000 – 17,500 interactions down to 10,000 (5,000 interviews + 5,000 follow-ups (2,500 X 2)). As more cases are completed at the time of interview, the need for back-end workers will decrease. As this happens, we recommend moving them to the front so that wait times decrease and timeliness rates increase.
    - Verify and Process Paperwork at the point of drop-off. If customers choose to bring their verification into the office, OnBase should be utilized to look up the case, verify the documents and process them on the spot.
    - Resolve customer issues at the point of contact in the call center. If customers phone the call center with a change or a other case-related matter, we recommend handling it on the spot since the call center is staffed with eligibility workers. There are five staff in the call center currently trained in all programs, and using them to resolve issues seems to be working. CIA recommends continuing to train staff in multiple programs.

- **Create clearer, more standardized methods for moving information between workers**
    - Create a customer / supplier relationship to accommodate any hand-offs. There are currently 14 interviewers, which means that there are currently 14 different types of case that eligibility workers inherit. If you desire for workers to process cases quickly, then they shouldn't be expected to navigate the individual differences that they are currently receiving. With standardized documentation that meets customer expectations, workers will not rework the cases, move much more quickly, and work with better accuracy.
    - Standardization should be created by engaging staff and gathering customer expectations. They will most likely tell you that a satisfying case file is one which is informative, concise and short.

- **Create system fixes to prevent over-verification**
    - There are a couple of ways to arrive at consistency in verification practice, and one of those ways is to build it into the technology

systems. The current OnBase system allows workers to select that they pended a case for specific verifications. We recommend making the selection of verification appropriate to the program for which the customer is applying. For example, if it isn't policy to require a specific verification for Food, then don't allow it as a choice in OnBase. This is called poka yoke, or mistake proofing.
  - Another way to ensure consistency in verification practice is to review all pended cases to make sure that they should be pended. This, alone, will ensure that customers are processed faster.

- **Allow the front-door option for customers to receive face-to-face service**
  - Provide customers the choice to walk in to their local office for both interviews and processing of their verifications. This will take careful planning and balancing of resources, but we believe your customers and advocates will appreciate your implementation of this recommendation. We also believe that happy customers will go a long ways towards happy staff.
  - First contact resolution will also allow customers to be served by multiple methods and will also eliminate future visits.

- **Create interview Scripts that allow for standardized, quick, program-appropriate interviews**
  - Because the programs have different requirements, multi-program staff sometimes get into the habit of asking the same questions for all interviews. While this is thorough, it is also unnecessary. Capacity is lost if we ask the same questions for a basic food case as we ask for a Reach-up Case. More questions are required for a Reach-up case, yet Reach-up make up less than 10% of the Vermont caseload. Therefore, we could be asking unnecessary questions to 90% of our applicants.
  - Interview scripts will:
    - Increase the consistency of interviews and the resulting documentation
    - Save capacity
    - Decrease rework
    - Help new employees feel more comfortable with interviews

- **Change the focus of the Call Center to Value-Added Processes**

- **Change the caseload assignment tool from an individual assignment to a process assignment**

  - IT said that this could be done. We recommend moving this way if you choose to manage the processes, as recommended above. Instead of assigning a case to Jane Doe, we recommend assigning an Interview that was pended to the Verification and Processing Team. We recommend assigning changes to the Change Team, etc.

- **Create a solid training plan for staff**
  - It is our assessment that Vermont needs an available training unit. Our understanding is that many trainers have been given other duties, and their availability as trainers has been reduced to the workers in the field.
  - Workers need to be trained in programs, as well as process. If you are moving to Process Management, there are ways to put workers on the line more quickly than traditional approaches. We recommend you contact other states that have transitioned into Process Management. We can certainly arrange the contacts for you.
  - One caution is that most offices that have made the shift to Process Management are unhappy with the responsiveness and flexibility of their central training unit. As a result, they have developed some local and regional models for how to mold their workers into the new process. These are the models we encourage you to research.

RECOMMENDATIONS FOR IMMEDIATE CHANGES

- **Eliminate Backlog**
  - Backlog is what drives the majority of transactions in our system. When customers do not receive their benefits in a timely manner (their definition of timely is today), they call and visit our offices. By the numbers, Vermont should be able to work out of the backlog within 30 days. We recommend doing so as quickly as possible. As you dig out of the backlog, we recommend watching the call volumes, as they should begin to decrease along with the backlog.

- **Leave Eligibility for Reach Up cases in the local offices**
  - We applaud you for already making this quick decision. It will bring relief to the local Reach Up staff, as well as Reach Up Customers and Advocates. If you were operating under the medical model, Reach Up customers include your "intensive care" customers. They need you to hold their hand, while 3 Squares cases are more likely to be fine selecting moderate and self-service options

- **Create a more welcoming front door, including the capacity to handle:**
  - While longer-term planning needs to take place to sustain this change, you can immediately begin serving clients at the front door. You will have to look at staffing to ensure you can handle this, but according to your numbers, 12 out of every 100 customers are there to apply. The rest are going to have fairly quick transactions – case-related questions, etc. As time goes by, the number of case-related questions and verifications will go down. You must understand that number is high right now because of the volume of unfinished work in the system.

- **Redesign work processes in the call center and interview unit to have people complete work**
  - As mentioned in the long-term section we believe that work should be completed at first contact. While planning should take place, there are immediate changes that Vermont can take just by having workers complete what they can. At the point of interview, our understanding is that this is a matter of minutes. At the call center, our understanding is that it is a matter of looking at the case documentation and OnBase. The call center piece will be maximized by following through with the standardization recommendation.
  - For the call center, we would recommend considering a group to

handle case-related questions and changes, as well as a group to handle verification and processing of cases flowing through the ADPC.

- **Design and implement additional training for staff to assure they can move the case as far along as possible**
  - The exciting thing about this recommendation is that your staff are already eligibility workers. They know how to work a case from beginning to end. The training should be more about process and work flow, as they already understand how to work a case.

- **Maximize your technology to deploy staff to meet customer demand**
  - With the OnBase and Call center technology that you have worked so hard to develop through modernization, you can respond in a timely manner to client demand. A few factors are important to keep in mind:
    - The work is the work / an interview is an interview: whether a person walks into the Waterbury local office or calls in for an interview, the same amount of resources are still required to conduct that interview. If 5,000 interviews per month take up to 30 minutes to complete (interview, documentation, processing), then Vermont would need to supply 2,500 hours of work per month to complete all interviews at first contact. At 120 hours per worker per month (conservative numbers), you would need 20.8 staff to complete interviews. You currently have 12 virtual staff in the interview unit, but you also have up to 12 staff in the local offices that are acting as "screeners." We recommend adding some of these staff to your interview unit to accommodate the local walk-in interviews, as well as giving them the ability to field phone interviews.
    - If your first contact emphasis reduces your pending rate from 100% to 50%, then 2,500 cases per month will need additional follow-up by way of verification and processing. Assuming it takes 15 minutes to match verifications to case documentation in On-Base and make a determination, you would need 625 hours of work per month or 5.2 staff to handle the verification and processing load.
    - Other staff can be used to manage changes and case-related questions
    - Because of your virtual presence, Vermont can actually take the process management model to the next level by responding to customer real-time. This could mean that if wait times in a local office are going to exceed 15 minutes,

the customer can be given the choice to call the call center for an interview. It also means that as first-contact resolution becomes reality, you will be able to shift resources on a real-time basis from back-end to front-end work. We see the option for ultimate flexibility in your system.

- **Field Trip**
    - Seeing is believing. We recommend that you take a small group of managers and line staff to a Process Management State to see what they've done. For Vermont, I would recommend going to Washington State, as they have great technology, just like you have built. Washington does a great job hosting, and has presentations set up from every angle – operations, technology, policy, etc.

CONCLUSION

Vermont does not have a technology problem. It does not have a staffing problem. Vermont has a capacity problem. More water is trying to find its way through a kinked up set of pipes (business processes). The recommendations in this report are meant to put Vermont on the path towards straightening the pipes.

As stated, the majority of customer transactions aren't for interviews. In fact, only 12% of the water flowing through your pipes should be there in the first place. This is nobody's fault. It is the result of 93% more customers moving through your systems with only a 3% increase in resources – without radically changing the work model from the point of view of the workers. Radical changes have been planned from a technological angle, but the worker's day-to-day processes have not radically changed, other than taking the interview away from their workload.

The changes recommended are a clear change to the business process which will affect the workers and customers positively. Determinations at the time of interview, cases processed upon information receipt, and calls answered without a need for a recall will reduce a vast amount of pressure on your public assistance delivery system. Within the year, you should see the following:

- Increased timeliness
- Increased accuracy
- Increased staff retention
- Increased case retention
- Happier customers
- Happier staff
- Full tummies
- Healthcare

We will be happy to discuss how we can hold your hand through the next steps of your process. Whether you choose to do that or not, we encourage you to engage your staff in the planning for your business processes. We also encourage you to resist the urge to make things more complex than they need to be.

Once again, thank you for the honor of working with such a fine group of people. We wish you the best in your next steps.